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From: Walter Thurston - S/P

February 26, 1953

Subject: Guatemala

2-Nitze
2-Sloan
3-Mann/ARA
4-Jamison/ARA
5-Dulles dept 3/29/54 ltr

A political-social revolution, in reaction to protracted dictatorship and feudalism, has been in progress in Guatemala for several years. Local Communists, presumably guided from Mexico and Moscow, are involved in the movement in addition to indigenous political groups and labor elements largely connected with and hostile to the dominant American fruit company and railway enterprises. An attitude of singular acquiescence on the part of the Guatemalan Government has enabled the Communists thus to gain considerable influence, and even to occupy positions within the Government itself.

The United States Government has for some time been concerned by these developments, and on several occasions has discussed them frankly with Guatemalan officials, both in Guatemala and in Washington. It has also sought to give emphasis to its warnings with respect to the dangers of Communism by curtailing certain cooperative development projects, Export-Import Bank loans, and military supplies for the Guatemalan armed forces. These withholding measures have been applied without fanfare, in order to retain flexibility of policy. More recently, Nicaragua, Colombia, the Dominican Republic, Honduras and El Salvador have expressed concern over the Guatemalan problem and have discussed it with representatives of the United States Government. A mission from the Government of El Salvador is now in Washington to discuss the acquisition of arms which it considers necessary to meet the Communist threat from Guatemala. Consideration is at present being given within the Department to possible new methods of dealing with the Guatemalan problem.

Before this Government undertakes any new action, either directly, jointly or vicariously with respect to Guatemala, it should

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it should clearly identify the problem in that country which it desires to solve--and do so in such a manner that evidence could be adduced which would prove that the course of action determined upon was warranted. It seems improbable in view of the remoteness of Guatemala from the center of Communist physical power that a Communist state could be set up in that country, or if set up, could be effectively controlled from Moscow. Nonetheless, clear evidence of a trend toward the establishment of a Communist state in Guatemala would of necessity have to be regarded as a threat to the peace and security of this hemisphere.

Any course of action decided upon should involve multilateral action and not unilateral action by this Government. (Unilateral action would expose the United States to charges of violation of treaty commitments; that it sought restoration of the "reactionaries" or that it was merely trying to protect American interests.) It would be advisable that Mexico, because of her special attitude toward the United States and Central America, should be included in any multilateral program.

The basis for inter-American action is to be found in the Inter-American Treaty of Reciprocal Assistance signed at Rio de Janeiro in 1947 (notably Article 6 thereof), Resolution XXXII of the Bogota Conference of 1948, and in the resolutions (nos. 1 and 8) adopted at the Fourth Meeting of Consultation of (American) Ministers of Foreign Affairs held in Washington in March and April of 1951.

Possible courses of action now under study within the Department include:

1. Immediate representations to the Guatemalan Government, at highest level, both here and in Guatemala, to make clear the serious concern with which the present Administration views the widespread Communist influence in Guatemala.

2. Preparation for possible submission to the OAS the case showing the extent of Communist influence in Guatemala as well as efforts to infiltrate and subvert neighboring American states; a proposal to

El Salvador,

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El Salvador, Honduras and Nicaragua to collaborate in the exchange of information concerning both of these points.

3. Steps to encourage the Organization of Central American States (ODECA) to take a strong anti-Communist stand (probably in the form of a resolution) at its meeting scheduled in Guatemala on May 2. This action should encourage anti-Communist elements in Guatemala and could be used to strengthen a case against Guatemala in possible future OAS action. If Guatemalan initiative should result in further postponement of the meeting, we should suggest that other members meet elsewhere.

4. Approach the Governments of Nicaragua, El Salvador and perhaps other Central American countries for the negotiation of military assistance agreements under the Mutual Security Act, it being understood that relatively small amounts of grant aid from the existing appropriation would be furnished should agreement be reached. Such agreements could be made under the existing legislation although it would be necessary to obtain the approval of the Joint Chiefs of Staff and the President. These agreements would not only serve to encourage the anti-Communist stand of Guatemala's Central American neighbors but would be calculated to encourage opposition within Guatemala, particularly in the Guatemalan armed forces.

Some thought has also been given to the application by the United States of economic sanctions and to suggestions by those countries which have already expressed to us their concern about Guatemala that with our moral support, they would encourage and support with armaments and men a revolutionary movement in Guatemala. Unilateral economic sanctions probably would redound to the discredit of the United States (under the theory of "economic aggression"), provoke action against important American interests, and prove to be ineffectual. We have, of course, declined to give moral support to the proposal for revolutionary intrigue.

In view of historic and current rivalries and antagonisms between various of the Central American and Caribbean States, any course of action which would encourage one or more of

them

them to instigate internal armed conflict in Guatemala or which might lead to international armed conflict would very probably lead to international hostilities of a most destructive and uncontrollable kind. Moreover, should evidence of encouragement of revolutionary activities against Guatemala be brought before the OAS, this Government and the other members of the organization would be placed in a most difficult position in respect of inter-American commitments. The prudent and proper course for this Government to take would be frank consultation with other American Governments so that agreement might be reached on the nature of the problem and on the joint measures within the framework of existing inter-American agreements that might be taken to deal with it.

CC to:

Mr. Mann - ARA
Mr. Jamison - ARA

S/P:WThurston:gw